

CITY OF BEDFORD –POINT OF SALE – FACT SHEET

- **SELLER OBLIGATION:**

Owners of residential or commercial real estate, including single-family and 2-family dwellings, duplexes, apartments, and condominiums and all commercial and industrial properties are required to obtain a Certificate of Inspection (Point of Sale) prior to entering into an agreement to sell or convey an interest in such property (including sales through Land Contracts).

- **FEES:**

The fee for the Point of Sale inspection varies from \$50 for single-family dwelling plus \$25 for each additional rental unit; commercial buildings are a minimum fee \$75 and maximum fee \$200.

- **REQUIRE USE OF CERTIFICATES:**

Sellers must provide the prospective buyer with a copy of the Certificate of Inspection or a copy of a Certificate of Occupancy prior to the execution or a contract of sale.

- **TIME LIMIT:**

The Certificate of Inspection or Certificate of Occupancy provided to the buyer must have been issued within 1 year of the agreement.

- **ESCROW REQUIREMENTS:**

If all violations listed on a Certificate of Inspection are not corrected prior to transfer of title, an escrow account must be established and funds in an amount not less than \$100 and equal to 150% of the estimated cost of repairs, must be deposited to pay to correct all violations.

- **ESCROW DETERMINATION:**

The amount to be held in escrow shall be determined by procuring a written estimate from a company that is currently registered to do business in the City of Bedford. The amount deposited into escrow shall be 150% of the estimate.

- **CITY ESTIMATE:**

If the party establishing the escrow (seller or buyer) can demonstrate to the City that, after a good faith effort, he/she is unable to obtain a written estimate, the City may establish the amount of the escrow with the understanding that such determination is non-negotiable.

- **ESCROW NOTIFICATION:**

The escrow agent must notify the Building Department in writing of the amount of funds being held to correct all remaining violations.

- **CERTIFICATE OF OCCUPANCY:**

If the City accepts the escrow amount, of if all violations have been corrected, a new Certificate of Occupancy can be issued to the buyer/new owner. A copy of this Certificate of Occupancy must be provided to the title company as a condition of title transfer.

- **ESCROW DISBURSEMENT:**

Funds held in escrow shall be disbursed only upon written authorization of the City. The City may authorize one or more partial release if it is determined that substantial progress has been made in correcting the violations and that sufficient funds remain in escrow to correct the remaining violations.

- **ESCROW AGENT OBLIGATION:**

No person, firm or corporation acting in the capacity of an escrow agent in any real estate transaction shall transfer title or disburse funds from any sale unless the provisions of Chapter 1311.18 of the Building and Housing Code of the City have been satisfied.

- **FAILURE TO COMPLY:**

Any person violating any provision Chapter 1311.18 of the Building and Housing Code will be guilty of a misdemeanor of the first degree and shall be punished as provided in Chapter 1311.28 of the Building and Housing Code of the City.